

Dear Honorable Judge Glenn,

We, as German Celsius customers, would kindly like to draw your attention to the following information/facts:

- Celsius lost their license to operate their business respectively provide their services (e.g. earn/interest services) to German customers early 2020. From this point on, they should not have paid us any interest and should have clearly informed those German residents, who were registered prior to 2020. Similar to the treatment of US customers, who – due to lack of Celsius' license in the US – did not earn any interest from that point in time and where, as a result, their crypto assets have been transferred from the earn account to the custody account, the crypto assets of the German customers should have been transferred to the custody account as well. We would like to highlight that Celsius i) did not inform the German residents about the loss of their license, ii) did not transferred the crypto assets from the earn account to the custody account, iii) did not even give us the choice to decide between earn or custody account and iv) kept paying us interest on the crypto assets although prohibited by law. We are aware that the re-qualification to a custody account would lead to the repayment of the interest already received. Based on this, we are of the opinion that the funds of German residents in Celsius' accounts shall be treated as custody and not as earn account.

- Furthermore, there are cases where German residents registered in mid/late 2020 – where the services to German residents were already prohibited by law – submitted all the ID information to Celsius incl. pictures of national ID cards, etc., got an account and started to earn interest. Obviously, Celsius did not properly performed their KYC and accepted German residents. Those German residents should not be allowed to get an account in the first place and, thus, should be either treated as custody account holders or should be treated as if they never had an account and therefore their crypto assets should be repaid in full and without delay.

Thank you for taking the time to read the email and pay attention to our concerns. We highly appreciate your efforts!

Kind regards,

German Celsius customers

Case Number: 22-10964 (MG)
Southern District of New York